

## Message Text

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ACTION EA-09

INFO OCT-01 EUR-12 NEA-10 ISO-00 CIAE-00 DODE-00 PM-04

H-01 INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 USIA-06 OMB-01 TRSE-00 AID-05 ACDA-07 IO-13

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R 280912Z JAN 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 5405

INFO AMEMBASSY ANKARA

AMEMBASSY BANGKOK

AMEMBASSY JIDDA

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY SINGAPORE

AMEMBASSY TOKYO

AMEMBASSY TRIPOLI

CINCPAC

C O N F I D E N T I A L SECTION 1 OF 2 MANILA 1433

CINCPAC FOR POLAD

E. O. 11652: GDS

TAGS: PFOR, RP, ASEAN

SUBJECT: THE MINDANAO SETTLEMENT: WHAT MARCOS RISKS AND WHAT  
HE MIGHT GAIN

1. SUMMARY. MINDANAO PEACE SETTLEMENT IS FRAUGHT WITH  
POTENTIAL RISKS AS WELL AS GAINS FOR GOP. NEGOTIATIONS  
RESUME IN TRIPOLI FEBRUARY 7. EVEN IF THEY SUCCEED IT IS  
UNLIKELY THAT CHRONIC WARFARE WILL STOP COMPLETELY. IT  
IS HOWEVER POSSIBLE, GIVEN CONTINUED LIBYAN COOPERATION,  
THAT MARCOS MAY ACHIEVE A SETTLEMENT WITH MNLF UNDER ISLAMIC  
CONFERENCE AUSPICES, THEREBY FULFILLING A LONG-STANDING  
CONFERENCE DIRECTIVE, REMOVING THE "MORO PROBLEM" FROM  
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ITS ANNUAL AGENDA, AND ELIMINATING A POTENTIAL THREAT  
TO PHILIPPINE OIL SUPPLIES. SETTELEMENT WITH THE MNLF  
WOULD NEUTRALIZE THE ONLY ORGANIZATION THAT CLAIMS TO  
SPEAK FOR ALL FILIPINO MUSLIM REBELS, AND IT WOULD BE  
EXCEEDINGLY HARD FOR THEM TO FORM ANOTHER SUCH ORGANIZA-  
TION. TO THE EXTENT THAT FIGHTING SLACKENS IT WILL REDUCE  
A DRAIN ON NATIONAL RESOURCES AND A REGIONAL IRRITANT.

THE PRELIMINARY SETTLEMENT, ESPECIALLY THE PROPOSED AUTONOMOUS REGION, HAS UPSET CHRISTIANS AND SOME MILITARY FIGURES, BUT WE BELIEVE THAT MARCOS WILL BE ABLE TO HANDLE THIS "BACKLASH" ONCE IT BECOMES APPARENT THAT HE DOES NOT INTEND TO GIVE THE LOCAL "AUTONOMOUS REGION" ANY SUBSTANTIAL DEGREE OF REAL POWER. IT WILL BE MORE DIFFICULT TO KEEP THE MUSLIM REBELS ON BOARD, PROBABLY IMPOSSIBLE WITHOUT QADHAFI'S CONTINUED COOPERATION. THE GRAVEST RISK FOR THE GOP IS POSSIBILITY THAT LIBYANS AT SOME POINT MIGHT VIOLENTLY REJECT THE SETTLEMENT, RALLY RADICAL ISLAMIC SENTIMENT AGAINST MARCOS, AND RESUME ARMED AID TO AN MNLF WHICH WILL HAVE GAINED PRESTIGE FROM ITS NEAR-BELLIGERENT STATUS DURING THE NEGOTIATIONS. ON BALANCE, HOWEVER, WE BELIEVE MARCOS IS NOT GAMBLING WITHOUT HIS CUSTOMARY SHREWDNESS, AND THAT POTENTIAL GAINS TO GOP OUTWEIGH RISKS. END SUMMARY.

2. PEACE PROSPECTS LIMITED. ALTHOUGH LATEST CEASEFIRE DEVELOPMENTS ARE ENCOURAGING (REFTEL) NO EXPERIENCED OBSERVER BELIEVES PEACE WILL COME QUICKLY OR COMPLETELY TO MINDANAO. TO ELIMINATE ENDEMIC DISORDER, ROOTED IN PRIMORDIAL RELIGIOUS STRIFE AND TRADITIONAL MISGOVERNMENT, WOULD REQUIRE PRODIGIOUS TALENT AND ENERGY. FIGHTING MAY BE REDUCED IN SOME AREAS, BUT ELSEWHERE OLD VIOLENCE WILL LIKELY COURSE INTO NEW CHANNELS. ALREADY WE ARE HEARING OF MUSLIM REBEL SPLINTER GROUPS DISSATISFIED WITH THE SETTLEMENT, AND OF THE REVIVAL OF GANGS OF CHRISTIAN IRREGULARS ("ILAGAS") WHO CONTRIBUTED SO MUCH TO THE OUTBREAK OF A FORMAL MUSLIM REBELLION IN 1972. MORE OF CONFIDENTIAL

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THIS KIND OF THING IS INEVITABLE.

3. GOP STRATEGY. THE GOVERNMENT HOPES TO RETAIN EXISTING REGIONS IX AND XII (COMPRISING TEN PROVINCES) AS THE "AUTONOMOUS REGIO" SPECIFIED BY THE PRELIMINARY TRIPOLI AGREEMENT. (ADMIRAL ESPALDON RECENTLY SAID AS MUCH TO THE AUSTRALIN DCM.) GOP STATEMENTS INDICATE THAT IX AND XII MIGHT EVEN REMAIN TWO SEPARATE REGIONS. THE GOVERNMENT WILL ATTEMPT TO PERSUADE MUSLIMS OF ALL CATEGORIES THAT THIS ARRANGEMENT AMOUNTS TO "AUTONOMY", WHILE POINTING OUT TO CHRISTIANS THAT IT DOES NOT REPRESENT SIGNIFICANT CHANGE FROM THE STATUS QUO (WHICH INDEED IT DOES NOT). A PLEBISCITE, WHICH MARCOS HAS STATED WILL BE HELD, MAY BE USED TO FINESSE THE THREE EXTRA PROVINCES (SOUTH COTABATO, DAVAO DEL SUR, AND PALAWAN) WHOSE INCLUSION QADHAFI DEMANDED. THESE PROVINCES ARE HEAVILY NON-MUSLIM AND IT WILL BE NO PROBLEM TO INDUCE THEM TO REGISTER A LOUD AND HONEST "NO" VOTE AGAINST JOINING THE AUTONOMOUS REGIONS.

4. THE QADHAFI FACTOR. TO ACHIEVE THIS RESULT MARCOS IS PAINFULLY AND OBVIOUSLY DEPENDENT ON QADHAFI'S CONTINUED GOOD WILL. IT IS LIKELY THAT ONLY QADHAFI'S INTERVENTION HAS FORCED NUR MISUARI AND HIS LIEUTENANTS TOWARD A PRELIMINARY AGREEMENT IN WHICH THEY HAVE APPARENTLY RETREATED FROM SUCH MAJOR DEMANDS AS INDEPENDENCE FOR ALL MINDANAO-SULU-PALAWAN AND COMPLETE CONTROL OF AN "AUTONOMOUS" ARMED FORCE. (JUDGING FROM QADHAFI'S JANUARY 2 NY TIMES INTERVIEW WITH CL SULZBERGER HIS VENTURE INTO PHILIPPINE PEACEMAKING MAY BE PART OF A MORE GENERAL SHIFT TOWARD ACCOMMODATION, HOWEVER SUPERFICIAL, WITH OLD ENEMIES.) ASSUMING FOR THE MOMENT THAT QADHAFI CONTINUES TO BACK A SETTLEMENT AND TO KEEP HIS MNLF CLIENTS IN LINE, WHAT DOES MARCOS RISK BY NEGOTIATING WITH HIM?

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5. RISKS: CHRISTIAN BACKLASH. AT THE MOMENT MANY CHRISTIANS, INCLUDING MILITARY MEN UP TO SECDEF ENRILE, ARE DISTURBED BY THE SETTLEMENT. HOWEVER, GIVEN TIME AND PERSUASION, WE BELIEVE THAT MARCOS WILL BE ABLE TO CONTROL THE LOCAL "CHRISTIAN BACKLASH", ESPECIALLY WHEN IT BECOMES APPARENT THAT THE AUTONOMOUS REGION(S) INVOLVE NO MORE THAN SOME LEGAL TINKERING WITH THE

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STATUS QUO. IF PRESSED BY QADHAFI WE BELIEVE THAT MARCOS COULD ACCEPT THE THREE ADDITIONAL PROVINCES IN THE AUTONOMOUS REGION(S), ALTHOUGH IT WOULD MAGNIFY CHRISTIAN RESENTMENT. WE DO NOT SEE THE BACKLASH POSING FUNDAMENTAL RISKS AT THE NATIONAL LEVEL, IF ONLY BECAUSE MOST CHRISTIAN FILIPINOS ARE TRADITIONALLY APATHETIC ABOUT WHAT HAPPENS IN THE SOUTH. (IF NOT, THE WAR ITSELF WOULD HAVE GENERATED FAR MORE OPPOSITION TO THE REGIME THAN IT HAS, AND MARCOS WOULD HAVE MOVED MORE ENERGETICALLY TOWARD A SOLUTION LONG AGO.) TO PUT IT ANOTHER WAY, MINDANAO IS NOT TO MANILA AS ALGERIA WAS TO PARIS.

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6. RISKS: MUSLIM FRONTLASH. IT WILL BE MUCH MORE DIFFICULT TO RETAIN THE COOPERATION OF DISAFFECTED MUSLIMS ONCE THEY REALIZE WHAT IS GOING ON. BUT THE MUSLIMS CAN HARDLY BE MORE ALIENATED THAN IS CURRENTLY THE CASE AND AS NOTED ABOVE, NO ONE (CERTAINLY NOT MARCOS OR HIS TOP COMMANDERS) SERIOUSLY EXPECTS THEM ALL TO STOP SHOOTING OVERNIGHT.

7. RISKS: A LIBYAN REVERSAL. ALL OF THE ABOVE ASSUMES THAT QADHAFI WILL SUPPORT AN AGREEMENT THAT MARCOS CAN ACCEPT. BUT, IF HE BELIEVES THAT HE AND THE MOROS HAVE BEEN BETRAYED, OR FOR OTHER REASONS, QADHAFI COULD BACK OUT VIOLENTLY, WRECKING THE SETTLEMENT, DENOUNCING MARCOS, RESUMING THE ARMS FLOW, AND RALLYING RADICAL ISLAMIC SENTIMENT AGAINST THE GOP. THE MNLF WOULD IF ANYTHING HAVE GAINED STRENGTH FROM IT NEAR-BELLIGERENT STATUS DURING THE NEGOTIATIONS. AS A HEDGE AGAINST THIS PROSPECT, MARCOS IS COUNTING ON THE ISLAMIC CONFERENCE TO BALANCE THE MERCURIAL LIBYANS THROUGH SUCH AGENTS AS ITS POLITICAL ASSISTANT SECRETARY FETHI TEVETOGLU, A RESPECTED TURKISH POLITICAL FIGURE.

8. GAINS. THE GOP COULD GAIN MUCH EVEN FROM AN IMPERFECT

SETTLEMENT (ONE THAT DOES NOT COMPLETELY HALF THE FIGHTING).  
SINCE 1974, SUCCESSIVE ISLAMIC CONFERENCES HAVE DIRECTED  
THE GOP TO NEGOTIATE WITH THE MNLF. THE GOP HAS NOT  
ENJOYED THIS CHARGE, NOR HAS IT DARED REJECT IT. A  
SETTLEMENT WITH THE MNLF UNDER LIBYAN/IC AUSPICES WOULD  
PRESUMABLY REMOVE THE PHILIPPINE "MORO PROBLEMS" FROM  
THE ANNUAL CONFERENCE AGENDA AND REASSURE MARCOS THAT  
HIS OIL SUPPLIES ARE NOT HOSTAGE TO PAN-ISLAMIC SENTI-  
MENT. REMAINING REBELS MIGHT CONTINUE FIGHTING,  
EVEN WITHOUT MNLF, BUT THEY WOULD FIND IT DIFFICULT  
TO FORM ANOTHER UMBRELLA ORGANIZATION. THE MNLF ITSELF  
WAS BORN PRIOR TO MARTIAL LAW, AND BENEFITTED FROM  
EXTENSIVE MALAYSIAN MIDWIFERY--E.G., TRAINING ON  
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PANGKOR ISLAND IN 1969--WHICH WOULD PRESUMABLY NO LONGER  
BE AVAILABLE. UNLESS THE MNLF WERE REPLACED, REMAINING  
INSURGENTS WOULD BE DELEGITIMIZED AND THE GOP WOULD BE  
ABLE TO PORTRAY THEM CREDIBLY AS NOTHING MORE THAN BANDITS.  
TO THE EXTENT THAT THE FIGHTING DOES DIMINISH, IT  
WOULD ALSO REDUCE A COSTLY DRAIN ON NATIONAL RESOURCES  
AND AN IRRITANT IN REGIONAL RELATIONS.

9. CONCLUSION. BREAKDOWN OF NEGOTIATIONS WOULD  
NOT NECESSARILY RESULT IN THE DRACONIAN OUTCOME PREDI-  
CATED IN PARA 7 ABOVE. DEPENDING ON OTHER FACTORS,  
INCLUDING THE ATTITUDE OF OTHER ARAB AND ISLAMIC  
POWERS, THE SITUATION COULD SIMPLY DRIFT BACK TO THE  
STATUS QUO ANTE TRIPOLI. HAVING PINNED HER PRESTIGE  
ON THE SETTLEMENT, MRS. MARCOS COULD LOOK VERY FOOLISH,  
BUT THERE WOULD BE MANY IN THE DOMESTIC AUDIENCE WHO  
MIGHT WELCOME SUCH AN OUTCOME, AND IT WOULD NOT DAMAGE  
HER HUSBAND OR HIS GOVERNMENT BEYOND REPAIR. WE  
CONCLUDE THAT MARCOS IS GAMBLING, BUT NOT WITHOUT HIS  
CUSTOMARY SHREWDNESS, AND THAT THE POTENTIAL GAINS  
TO THE GOP OUTWEIGH THE RISKS. THIS GAMBLE, HOWEVER,  
DEPENDS HEAVILY ON THE CAPRICIOUS WHIMS AND QUESTIONABLE  
GOOD FAITH OF QADHAFI. HIS TRACK RECORD GIVES NO  
GROUND FOR COMPLACENCY.  
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## Message Attributes

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**Disposition Approved on Date:**  
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**Disposition Date:** 22 May 2009  
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